

AGENDA

HEALTH SERVICES AND DEVELOPMENT AGENCY

BellSouth Tower
333 Commerce Street
Main Auditorium
Nashville, TN
Wednesday, September 22, 2004
8:30 a.m. CDT

I. CALL TO ORDER

II. DIRECTOR'S ANNOUNCEMENTS

III. CONSENT CALENDAR

APPROVED

- A. The Endoscopy Center North, Knoxville (Knox County), TN — CN0407-070
The establishment of an ambulatory surgical treatment center (ASTC) limited to gastroenterology at 623 East Emory Road, Knoxville (Knox County), TN 37938. This project replaces and changes ownership of a similar, unimplemented facility approved in the same area, under CN0208-069. The proposed facility will be developed in 4,213 SF of space leased in the existing PlastiLine building. It will contain two (2) procedure rooms and eight (8) pre-and post-op recovery spaces, and other support areas; and it will share use of 1,164 SF of support space in the adjoining practice office of Gastrointestinal Associates. The project will be licensed as an ambulatory surgical treatment center (ASTC) limited to gastroenterology by the Tennessee Department of Health. The project will not contain major medical equipment or initiate or discontinue any other health service; and it will not affect any licensed bed complements. Consent Calendar
\$ 2,234,326.00

IV. CERTIFICATE OF NEED APPLICATIONS

**WITHDRAW
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- A. Neurosurgical Associates, P.C., Knoxville (Knox County), TN — CN0404-036
The purchase of a magnetic resonance imaging (MRI) scanner and the initiation of MRI services in a shared arrangement with Knoxville Neurology Clinic, PLLC. The MRI services will be provided as a clinical ancillary service of Neurosurgical Associates' physician group practice. The total estimated cost is \$2,629,455. Neurosurgical Associates is responsible for one half of the project cost which is estimated at \$1,314,727.50.
\$ 1,314,727.50
OPPOSITION: BLM Neurosurgery; Baptist Health System of East TN; Fort Sanders: (Parkwest Medical Center, Regional Medical Center, Sevier Medical Center, Loudon Medical Center, West Outpatient Diagnostic Center, Methodist Medical Center of Oak Ridge, Patricia Neal Rehabilitation Center, Thompson Cancer Survival Center, St. Mary's Health System, University Health System, Vista Radiology
DEFERRED FROM JULY MEETING
WITHDRAWN

**WITHDRAW
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- B. Knoxville Neurology Clinic, PLLC, Knoxville (Knox County), TN — CN0404-035
The purchase of a magnetic resonance imaging (MRI) scanner and the initiation of MRI services in a shared arrangement with Neurosurgical Associates, P.C. The MRI services will be provided as a clinical ancillary service of Knoxville Neurology Clinic physician group practice. The total estimated cost is \$2,629,455. Knoxville Neurology Clinic is responsible for one half of the project cost which is estimated at \$1,314,727.50.
\$ 1,314,727.50
OPPOSITION: BLM Neurosurgery, Fred Killeffer MD, Baptist Health System of East TN, Fort Sanders, Parkwest Medical Center, Regional Medical Center, Sevier Medical Center, Loudon Medical Center, West Outpatient Diagnostic Center, Methodist Medical Center of Oak Ridge, Patricia Neal Rehabilitation Center, Thompson Cancer Survival Center, St. Mary's Health System, University Health System
DEFERRED FROM JULY MEETING
WITHDRAWN

DENIED

- C. Adventa Hospice, Inc., South Pittsburg (Marion County), TN — CN0404-031
The addition of Bedford, Coffee, Lincoln, and Moore counties to the licensed service area of Adventa Hospice, Inc. located at 5959 Shallowford Road, Building 500A, Suite 505, Chattanooga, TN. The service area currently includes the following counties: Franklin, Warren, Grundy, Marion, Van Buren, Sequatchie, Hamilton, Bledsoe, Rhea, Meigs, McMinn, Bradley and Polk. Adventa Hospice, Inc. intends to serve

Bedford, Coffee, Lincoln and Moore counties from its South Pittsburg hospice multiple site office. The location of the existing parent office in Hamilton County will not change as a result of the project. Major medical equipment is not required as part of this business, nor will the number of beds be affected by this request.

\$ 3,000.00

OPPOSITION: Lincoln Medical Center, and Hospice of the Highland Rim

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| APPROVED | D. | <p>Tri-Cities Skin & Cancer, Johnson City (Washington County), TN — CN0405-042</p> <p>The establishment of an ambulatory surgical treatment center (ASTC) for the performance of Mohs micrographic surgery and associated wound reconstruction limited to the use by the physicians and patients of Tri-Cities Skin and Cancer in the normal course of treatment. The facility will be located at 1009 N State of Franklin Access Rd., Johnson City, TN 37604. No beds will be required.</p> <p>\$ 412,492.02</p> <p>OPPOSITION: Mountain States Health Alliance and Johnson City Medical Center</p> |
| APPROVED | E. | <p>NHC HealthCare, Sparta, Sparta (White County), TN — CN0406-051</p> <p>The construction of a nursing home replacement facility at the northeast quadrant of the intersection of Highway 111 and Fred Hill Road in White County. The center will include one hundred twenty (120) nursing home beds and will be certified for Medicare and Medicaid participation.</p> <p>\$ 8,608,500.00</p> |
| DEFERRED
TO OCTOBER | F. | <p>Vanderbilt University Hospital, Montgomery (Clarksville County), TN — CN0406-052</p> <p>The addition of twelve (12) neonatal intensive care unit (NICU) beds to the license of Vanderbilt University Hospital (VUH) in Nashville (Davidson County), Tennessee and the subsequent delicensure of twelve (12) NICU beds from the Gateway Medical Center in Clarksville (Montgomery County), Tennessee. No beds will be physically relocated. VUH will operate the unit in space leased from Gateway Medical Center. Thus, the responsibility for the unit will reside with VUH while Gateway Medical Center will serve as landlord. The service area for the project is Montgomery, Houston, and Stewart Counties in Tennessee and Christian and Todd Counties in Kentucky. The project does not include any major medical equipment.</p> <p>\$ 776,646.00</p> <p>DEFERRED TO THE OCTOBER MEETING</p> |
| APPROVED | G. | <p>NorthCrest Medical Center, Springfield (Robertson County), TN — CN0406-053</p> <p>The acquisition of an additional magnetic resonance imaging (MRI) unit for a total complement of two (2) stationary MRI units operated under the hospital licensure. The new 1.5 Tesla MRI unit and some of the hospital's existing diagnostic equipment, including CT, mammography, X-Ray, Ultrasound, and bone densitometry equipment will be operated on the ground floor of a medical office building under development on the hospital campus at 100 NorthCrest Drive in Springfield (Robertson County), TN 37172. The existing MRI unit will remain in operation in the main hospital building. NorthCrest Medical Center has a management agreement with HCA. No beds are affected as a result of this proposal.</p> <p>\$ 3,438,437.12</p> |
| APPROVED | H. | <p>Appalachian Orthopaedic Associates, P.C., Kingsport (Sullivan County), TN — CN0406-055</p> <p>The initiation of magnetic resonance imaging (MRI) services limited to the physician practice at 2323 Pavillion Drive, Suite 100, Kingsport, Tennessee, 37660. If the project is approved, Appalachian Orthopaedic Associates, P.C. intends to lease equipment, space and staff to Indian Path Medical Center, CN0406-054, on a part-time basis. The estimated project cost represents the aggregate expense for a five (5) year equipment lease and ten (10) year property lease. Other than the MRI the project does not contain any major medical equipment and does not initiate or discontinue other health services. No inpatient beds are requested in this application.</p> <p>\$ 1,938,362.00</p> |
| APPROVED | I | <p>Indian Path Medical Center, Kingsport (Sullivan County), TN — CN0406-054</p> <p>The establishment of an outpatient diagnostic center (ODC) and the initiation of magnetic resonance imaging (MRI) services at 2323 Pavillion Drive, Suite 100, Kingsport, TN 37660. If the companion project for Appalachian Orthopaedic Associates, P.C., CN0406-055 is approved, Mountain States Health Alliance will enter into a lease agreement that allows Indian Path Medical Center to use equipment, space and staff on a part-time basis for the provision of MRI services operated under existing hospital licensure. The estimated project cost is \$1,840,400 which represents the aggregate expense of the initial (five-year) term of the lease agreement with Appalachian Orthopaedic Associates, P.C.</p> <p>\$ 1,840,400.00</p> |

APPROVED J. Tri-Cities Surgery Center, Bristol (Sullivan County), TN — CN0406-056
The establishment of an ambulatory surgical treatment center (ASTC) to be located at Renaissance Park, Bristol West Boulevard, Bristol, Tennessee 37620. The ASTC will have two (2) operating rooms and one (1) treatment room.
\$ 3,495,000.00

DEFERRED TO OCTOBER K. BioImaging at Charlotte, Inc., Memphis (Shelby County), TN — CN0406-057
The establishment of an outpatient diagnostic center (ODC) and the initiation of magnetic resonance imaging (MRI) services. The establishment of this ODC will be effected by the purchase of the existing Park Avenue Imaging Center at 5190 Park Avenue, Memphis, TN 38119, including two (2) MRI units, one (1) computerized tomography (CT) unit, and related imaging equipment. The Park Avenue Imaging Center is currently being operated under the private practice exemption. Therefore, the approval of this ODC will not result in the addition of new MRI units in the service area. The only major medical equipment involved is for MRI services. No other health services will be initiated or discontinued.
\$ 4,684,219.84

DEFERRED TO NOVEMBER L. Sumner Regional Medical Center, Gallatin (Sumner County), TN — CN0406-058
The initiation of mobile positron emission tomography (PET) services to be operated on the hospital campus one (1) day per month under the hospital's license. The service will be provided by a mobile vendor docking at the hospital's mobile services pad on the campus. The hospital will remain licensed as a 145 bed general hospital. The project does not contain any major medical equipment or initiate or discontinue any other health service; and it will not affect the hospital's licensed bed complements.
\$ 91,500.00

DEFERRED TO THE NOVEMBER MEETING

V. GENERAL COUNSEL'S REPORT

APPROVED TO EXTEND TO 12/31/06 A. White House Health Care — CN9409-062A
Request for extension of expiration date from December 12, 2005 until September 1, 2006.

VI. CURRENT REPORTS

- A. Statistical Reports
- B. Finance, Ways and Means Report
- C. Minutes

VII. ADJOURNMENT